

DRAFT

MEMORANDUM FOR: Deputy Director (Intelligence)

SUBJECT: Intelligence Support for the Foreign Assets Control Unit of Treasury

REFERENCE: Memo, Non-Int Branch, C&D, to Chief, ID, 15 October 1952
Memo, Chief, ID to AD/CD, and Ind. to Mr. Stone, 15 October 1952
Memo, ID/I to AD/IC, 15 October 1952
Letter, Acting Director, Foreign Assets Control to Mr. Dulles, 14 October 1952

PROBLEM

1. To examine existing arrangements for intelligence support of Foreign Assets Control, Treasury, and make recommendations for their improvement.

FACTS

2. FAC obtains intelligence support (a) through associate membership on ING, and (b) through OGD Liaison. The intelligence support through ING consists of strategic intelligence - intelligence concerning the strategic nature of commodities and the trends of trade development. These strategic intelligence reports are at present published approximately twice a week. ORR is now proposing to ING a central desk in CIA within the ING mechanism to coordinate intelligence on specific transactions in support of economic defense and enforcement operations. At present such intelligence information is provided by the Foreign Service and in



3. The intelligence support through OGD consists of provision, after appropriate clearances, to FAC of intelligence and information - in large measure this consists of raw information.

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4. OHR wishes to review material going to PAC from OGD to evaluate it where possible and to coordinate this activity with its participation in RIG and ISG activity when PAC is represented. OHR now does this in the intelligence support of OIT.

5. The PAC requirements, now before OGD, are inadequate - should be more detailed according to OGD. OGD is now negotiating actively with PAC to obtain new requirements. OO wishes to review the new PAC requirements before they are accepted.

6. When OIS sends OO reports to OGD they subject to IAS clearance, can be disseminated to non-IAC agencies. Any exception to this is noted on the [redacted]

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7. OIS does not want to screen OO reports against PAC requirements - preferring that OGD be responsible. OIS wishes to reserve the right to disseminate urgent reports to PAC.

8. Economic Warfare Division/TF desires that PAC be clearly advised that relationships with CIA on economic warfare operations involve a channel with CIA separate from the intelligence support function.

9. [redacted] reports are sent to OGD with customer-agencies designated. Any additional distribution by OGD requires clearance by OO.

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10. There is a considerable delay experienced by OGD in obtaining information reports from archives. Records Management, when a new copy of a report must be made, had been required to use reproduction facilities [redacted]. Advised this was a problem I inquired of Records Management and was informed they have now located a machine in their own shop and can, on request, provide one-day service and

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within six weeks will have records in shape to provide one-day service on all requests whether so specified or not.

11. There is an existing intelligence support arrangement for the support of OIF which has in general been approved for use vis-a-vis PAC by the interested offices. This technique will be outlined in the recommendations which follow.

RECOMMENDATIONS

12. OIS will transmit direct to PAC urgent SO information. OGD will screen [] which have been forwarded to them by OIS, against PAC requirements and transmit those selected to OIR for information and evaluation prior to release to PAC. This release will be made with the understanding that OIS has cleared the [] for dissemination prior to forwarding them to OGD or has noted on the report any control it wishes imposed.

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13. OGD will be responsible for screening [] against PAC requirements and forwarding [] selected to PAC after clearance and sanitization by OO. [] cleared and sanitized by OO, will be transmitted to OIR for information and evaluation prior to release to PAC.

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14. Material transmitted to PAC will be forwarded under security guidance of IAS, and where appropriate, OOI.

15. OIR will continually examine its relations with PAC to determine whether any improvement in intelligence support of PAC through EIC or INS can be accomplished.

16. OGD will continue its present efforts to obtain a new set of requirements from PAC. OGD will collaborate with OO before accepting the PAC requirements.

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17. a. That a copy of these recommendations serve as a notice of action responsibility to the offices concerned.

b. That OCB then explain orally to FAC the above arrangements as necessary, pointing out the difference between central intelligence support and central intelligence operations and arranging that each element of CIA be dealt with appropriately by FAC.

JAMES C. REBER
Assistant Director
Intelligence Coordination

CONCURRENCES:

OCB _____

ORR _____

OIS _____

OG _____

IAS _____

PP/SCD _____